



# FREDERICK COUNTY GOVERNMENT

Jan H. Gardner  
County Executive

**DIVISION OF FINANCE**  
Department of Procurement & Contracting

Lori L. Depies, CPA, Division Director  
Diane Fouche, CPPB, Director

June 15, 2016  
**Request for Proposal #16-047**  
**EMERGENCY MEDICAL BILLING SERVICES**  
**Addendum #2**

This addendum contains revisions, clarifications, and information pertinent to the Request for Proposal (RFP) for the referenced project and shall supplement, amend, and become part of the RFP for the title project and contract. All responses shall be based on this Addendum, in accordance with the RFP documents.

Acknowledgment of this addendum shall be submitted with the response, including addendum number and date. Failure to acknowledge addenda may subject the Contractor to disqualification.

*Proposals are due June 24, 2016 at 3:00 PM.*

## QUESTIONS:

1. **Question:** *Weather companies from Outside USA can apply for this?*  
**Answer:** No. We are only taking bids from companies within the USA.
2. **Question:** *Whether we need to come over there for meetings?*  
**Answer:** Circumstances may arise where it will be necessary for a representative to attend meeting(s) in Frederick. This would not be a routine happening, only if the need arises.
3. **Question:** *Can we perform the tasks (related to RFP) outside USA? Like, from India or Canada?*  
**Answer:** No. All tasks related to the contract must be performed in the USA.
4. **Question:** *Can we submit the proposals via email?*  
**Answer:** No.
5. **Question:** *Will the vendor be financially responsible for the cost of your ePCR software and hardware?*  
**Answer:** No. Software, Imagetrend, is provided through the State of Maryland to Frederick County and Frederick County will provide software and hardware if necessary.
6. **Question:** *Do you need any new ePCR hardware at the start of the contract?*  
**Answer:** No
7. **Question:** *Please provide the net charges for fiscal 2015.*  
**Answer:** \$9,039,996.00
8. **Question:** *Please provide the total collections for 2015.*  
**Answer:** \$5,323,582.00
9. **Question:** *Please provide the average revenue collected per transport for fiscal year 2015.*

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**Answer:** \$322.00

**10. Question:** Please provide a breakdown of FY2015 transport by primary payor for the following categories

- a. Medicare 41.7%
- b. Medicaid 12.2%
- c. Commercial Insurance 3.9%
- d. Patient Pay 9.5%

**Answer:** See above

**11. Question:** Please provide the average loaded mileage per transport?

**Answer:** 6.3 miles

**12. Question:** Please provide the number of transports for each call type for fiscal year 2015.

- a. ALS Emergency 34%
- b. ALS Non-Emergency
- c. BLS Emergency 65%
- d. BLS Non-Emergency
- e. ALS 2 1%
- f. Specialty Care Transport (SCT)
- g. Mileage
- h. Air Transport
- i. No Transport / Treat at Scene

**Answer:** See above

**13. Question:** Do you charge for Treat no Transport or itemized supplies?

**Answer:** No

**14. Question:** Please describe your current practice for managing Notice of Privacy Practice (NPP). Does your vendor mail them or do your crews hand out the paper copy?

**Answer:** Crews hand out paper copies. However, the vendor will include (NPP) with statements as an additional precautionary measure.

**15. Question:** What bank is your lockbox?

**Answer:** Not available

**16. Question:** What is the name of your current billing service provider?

**Answer:** Mckesson

**17. Question:** What is the fee for service being charged by your current billing service provider?

**Answer:** Not comparable.

**18. Question:** Will the successful vendor assume responsibility for any backlog of unbilled and/or previously billed accounts?

**Answer:** The successful vendor will not assume responsibility for previously billed accounts, but will begin billing from the date the current vendor stopped.

**19. Question:** In the most recent fiscal or calendar year, what was the actual number of billable transports provided by the Agency?

**Answer:** 16,533

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20. **Question:** *In the most recent fiscal or calendar year, what was the total amount of gross charges generated by the Agency for ambulance charges?*  
**Answer:** \$9,039,996.00
21. **Question:** *In the most recent fiscal or calendar year, what was the total amount of actual cash reimbursement realized by the Agency for ambulance transports?*  
**Answer:** \$5,270,198.55
22. **Question:** *Please provide the charge mix, i.e., the total percentage of charges that were billed to the following four main payer groups.*  
a. Medicare  
b. Medicaid  
c. Commercial insurance  
d. Self-pay accounts  
**Answer:** See question #10
23. **Question:** *Please provide the payer mix, i.e., the total percentage of charges that were paid by the following four main payer groups.*  
a. Medicare 54%  
b. Medicaid 1.4%  
c. Commercial insurance 2.9%  
d. Self-pay accounts 8.7%  
**Answer:**
24. **Question:** *Please provide your current rates for each of the ambulance transport categories.*  
**Answer:** Basic Non-Emergency ..... \$360.00  
Basic Emergency ..... \$420.00  
Advanced Emergency 1 ..... \$600.00  
Advanced Emergency 2 ..... \$700.00  
Mileage ..... \$ 10.00
25. **Question:** *What are the current percentage and rates for Video Services?*  
**Answer:** Video Services are not provided..
26. **Question:** *What is your average loaded miles per transport?*  
**Answer:** See question #11
27. **Question:** *Does your Agency used a collection agency?*  
**Answer:** No. Frederick County soft bills.
28. **Question:** *Will the successful vendor be responsible for accepting credit card payments and all transaction fees?*  
**Answer:** . No, credit card payment processing will be done by the County.
29. **Question:** *Are there any subcontractor participation goals or requirements for this solicitation?*  
**Answer:** N/A
30. **Question:** *What is your total number of responses in 2015?*  
**Answer:** N/A

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31. **Question:** *How many of those responses are billable? Non-billable?*  
**Answer:** N/A
32. **Question:** *Do you bill for residents and non-residents the same?*  
**Answer:** All transports are billed the same.
33. **Question:** *What is your anticipated growth or decline in the number of transport for the next few years?*  
**Answer:** We would anticipate a slight growth of 3-5%
34. **Question:** *Does your service itemize other charges?*  
**Answer:** No
35. **Question:** *Does your service bill for fire calls?*  
**Answer:** No.
36. **Question:** *Is so, would you like billing services for fire calls as well?*  
**Answer:** N/A
37. **Question:** *What is your 2015 payer mix based on gross charges??*  
**Answer:** Medicare, MD Medicaid, Blue Shield, United Healthcare, Cigna, Self-Pay and others
38. **Question:** *What is your 2015 payer mix based on collections?*  
**Answer:** Medicare, MD Medicaid, Blue Shield, United Healthcare, Cigna, Self-Pay and others
39. **Question:** *The following financial information we are requesting will be for the previous full year to date.*  
a. *What are total charges?* \$9,832,222.00  
b. *What is your total cash revenue?* \$5,530,306.00  
c. *What are your total adjustments in dollars/* \$4,082,867.89  
d. *What are your total mandatory adjustments in dollars? (Mandatory adjustments include Medicare, Medicaid, Worker's Compensation, VA, bankruptcy, intercept, Gunderson, Alliance, Blue Cross/Blue Shield, HIRSP, WEA Trust, Not Medically Necessary, Medical Associates, Tri-Care, and interest offset.*  
**Answer:** The amount shown in 'c' reflect all adjustments for CY 2015
40. **Question:** *What are your evaluation criteria? What is the percentage weighting for each evaluation criteria?*  
**Answer:** Refer to page 21 of the RFP
41. **Question:** *What is the average charges per patient?*  
**Answer:** \$544.50
42. **Question:** *What is the average charges per patient?*  
**Answer:** See #41
43. **Question:** *What is the total number of transports for the past 2-3 years?*  
**Answer:** 2014 – 17,417 2015 – 18,070

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44. **Question:** *What is the average number of miles per transport?*  
**Answer:** See question #11
45. **Question:** *What is the demographic mix of insurance carriers, i.e. Medicare, Medicaid, BCBS, Commercial, etc.?*  
**Answer:** Top five: Medicare, Medicaid, Blue Shield, UHC and Commercial
46. **Question:** *There is reference to a redacted version of the RFP response in regards to Document B, item 21. What areas are you looking to be redacted?*  
**Answer:** Refer to Document B, Page 9, Item 19, Public Information/Proprietary Confidential Information
47. **Question:** *Which hospitals or care facilities typically receive most of you patients?*  
**Answer:** Frederick Memorial Hospital, Gettysburg Hospital and Meritus Medical Center
48. **Question:** *What percentage of your patients are residents versus non-residents, and do you charge the two groups differently?*  
**Answer:** See question #32
49. **Question:** *Do you operate any shared services agreements with any other municipal or county governments in the region and, if so, with whom?*  
**Answer:** Yes, we have mutual aid agreements with Washington County, Smithsburg, Boonsboro, Mt Airy and Sharpsburg.
50. **Question:** *Please provide a breakdown of charges in dollars billed to the following carrier types: 1) Medicare, 2) Medicaid, 3) Other Insurance and 4) Uninsured or Self-Pay for the calendar years ended 2015, 2014, 2013 and 2012.*  
**Answer:**
- |          | FY 14          | FY 15          |
|----------|----------------|----------------|
| Medicare | \$3,919,459.00 | \$3,769,652.00 |
| Medicaid | \$ 581,592.00  | \$1,105,405.00 |
| Other    | \$3,618,563.00 | \$3,302,695.00 |
| Self Pay | \$1,802,040.00 | \$ 862,244.00  |
51. **Question:** *Please provide a breakdown of receipts in dollars billed to the following carrier types: 1) Medicare, 2) Medicaid, 3) Other Insurance and 4) Uninsured or Self-Pay for the calendar years ended 2015, 2014, 2013 and 2012.*  
**Answer:**
- |          | FY 14          | FY 15          |
|----------|----------------|----------------|
| Medicare | \$2,755,476.00 | \$2,873,484.00 |
| Medicaid | \$ 34,264.00   | \$ 71,937.00   |
| Other    | \$1,823,431.00 | \$2,023,828.00 |
| Self Pay | \$ 412,299.00  | \$ 462,333.00  |
52. **Question:** *Please provide the ambulance transport fee schedule for 2014 and 2015*  
**Answer:** See question #24
53. **Question:** *Please provide the average loaded mile per transport for 2014 and 2015*  
**Answer:** Not available
54. **Question:** *Please provide an AR aging by insurance carrier type as of 12/31/14 and 12/31/15. The report should tie into total outstanding accounts receivable dollars.*

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**Answer: Not available**

55. **Question:** *Please provide the total number or dollar value of claims filed with the GY modifier (not medically necessary) for years 2014 and 2015*

**Answer: Not available**

56. **Question:** *Please provide the ambulance subscription patient balance write-offs for calendar years ended 2012, 2013, 2014 and 2015.*

**Answer: Not available**

57. **Question:** *Does the Department collect insurance information for the current billing vendor?*

**Answer: The vendor is responsible for collection of insurance information. There are occasions when the Department receives insurance information and provides that information to the vendor.**

58. **Question:** *Please list transport hospitals, associated transport volumes for each hospital and if the current billing vendor maintains an electronic interface for that hospital.*

**Answer: Largest transport destination is Frederick Memorial Hospital at 92%. The other 8% of transports are to facilities such as: Meritus Medical, Gettysburg Hospital, Carroll County Hospital, Shady Grove Adventist, etc**

59. **Question:** *Is the Department an all ALS response department or does the Department also respond with BLS units?*

**Answer: Frederick County provides both ALS and BLS transports**

60. **Question:** *Please provide the service mix for calendar years 2012, 2013, 2014 and 2015 transports by: ALS, ALS2, BLS, SCT (Specialty Care Transports).*

**Answer: FY 14 – BLS: 64.15%, ALS1: 35.15%, ALS2: 0.7%  
FY 15 – BLS: 65.1%, ALS1: 34.3%, ALS2: 0.7%**

61. **Question:** *Who is responsible for paying the lock box fees? Is a lockbox currently utilized for the program?*

**Answer: Frederick County is responsible for lockbox fees**

62. **Question:** *Who is responsible for paying credit card processing fees? Will the City provide a vendor account to process credit card transactions under?*

**Answer: The County will process any credit card payments.**

63. **Question:** *Please provide a summary of 2012, 2013, 2014 and 2015 annual write-offs by type (i.e. bad debt, timely filing denial, not a covered service, etc.).*

**Answer:**

**2014: - \$2,096,874.08  
2015: - \$1,541,610.10**

64. **Question:** *Please provide a summary of 2012, 2013, 2014 and 2015 contractual disallowances by carrier (i.e. Medicare, Medicaid, UHC, Anthem, etc.).*

**Answer:**

**2014: \$1,987,068.69  
2015: \$2,720,455.75**

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**Answer:** Yes

65. Question: Is the compliance officer a full time position or does this person have other responsibilities?

**Answer:** Fulltime

66. Question: Do you have a current written compliance Plan?

**Answer:** Yes

67. Question: Do you conduct regular compliance training:

**Answer:** Annually, and during recruitment

68. Question: Do you have written policies and procedures?

**Answer:** Yes

69. Question: Do you currently have the forms and documents referenced in 2.3.34?

**Answer:** Yes

70. Question: Do you have a current red flags written policy and procedure in place?

**Answer:** Policy is currently be reviewed

71. Question: May we have a list of the attendees to the pre-bid meeting?

**Answer:** Yes, the pre-proposal sign in sheets are attached.

72. Question: What is the baseline value of this contract? Are there reporting figures from the prior year we can have access to?

**Answer:** Refer to questions #43, 50, 51, 60, 63 and 64 prior reporting

73. Question: The amounts under estimated contract value on page 20 says 450M – 5M is one of these numbers Incorrect?

**Answer:** That provision has been deleted by this addendum.

74. Question: Item 13.1.7 price is blank? Is this information omitted erroneously? On page 22 there is a note to see price sheet but one was not attached to the RFP.

**Answer:** Price is one of the criteria that will be used to evaluate offers, it was not erroneously omitted.

75. Question: We are the payment terms in regards to a payment schedule?

**Answer:** Payment shall be made upon receipt of proper invoice, Reference 22, #15

76. Question: Under Section 2.3.15 it states and Annual Audit Report. Is this an audit report provided by the County or an outside CPA?

**Answer:** Section 2.3.25 refers to an audit the vendor would complete.

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**REVISIONS:**

Document B, Page 8, Item 12 Termination, **Add 12.3 Termination of Contract – Account Transition Plan/Mechanism**

12.3.1 The proposal shall include one or more transition plans to transfer all existing EMS/Accounting data back to the County or to a subsequent vendor. This transition plan shall be enacted upon the County's request, termination of contract, or at the completion of the Contract term.

12.3.2 The Contractor will provide a plan to transition/migrate all patient account information as specified by the County back to the County or subsequent vendor. .

12.3.3 At the end of the contract term the Contractor may be allowed to exercise collection efforts on any existing accounts in the Contractor's possession. In that event, the Contractor will bring to conclusion patient accounts in their possession in accordance with procedures outlined in the Contract. This will be done in an expedient manner, and shall not exceed six months after the termination date. Accounts in possession at the end of the six-month timeframe will be deemed uncollected and returned to the County for further action.

12.3.4 At the end of the contract term the County reserves the right to extend the contract term on a month-to-month basis until such time that a new contract process (request for proposal and award of new contract) is completed. This shall not exceed six months past the end of the final contract term.

Document B, Page 9, Item 22 Contract Services Agreement, **Add** the attached Business Associate Addendum.

Document B, Page 20, Delete Item 8 Estimated contract amount provision

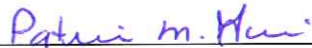
Document C, Page 21, 13.1.4, Business Plan, **Add** in detail and describe your firms Account Transition Plan

Document C, Page 21, 13.2 Contractor presentation, Delete the fourth week of June and Change to fourth week of July.

**ATTACHMENTS:**

Attachment #1 Pre-Proposal Sign In Sheets

Except as noted herein, all terms and conditions of the document referenced, as heretofore changed, remain unchanged and in full force and effect.



Patricia M. Guise, CPPB, Team Leader  
Department of Procurement & Contracting

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**RFP #16-047 ADDENDUM #2 ATTACHMENT 2**  
**BUSINESS ASSOCIATE ADDENDUM**

This Business Associate Addendum, dated this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between Frederick County, Maryland, a body politic and corporate of the State of Maryland, and \_\_\_\_\_, a \_\_\_\_\_ corporation ("Business Associate").

A. County desires to commence a business relationship with Business Associate that shall be memorialized in the preceding agreement (the "Underlying Agreement") pursuant to which Business Associate may be considered a "Business Associate" of County as defined in the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") including all pertinent regulations (45 CFR Parts 160 and 164) issued by the U.S. Department of Health and Human Services as either having been amended by Subtitle D of the Health Information Technology for Economic and Clinical Health Act (the "HITECH Act"), as Title XIII of Division A and Title IV of Division B of the American Recovery and Reinvestment Act of 2009 (Pub. L. 111-5).

B. The nature of the prospective contractual relationship between County and Business Associate may involve Business Associate's creation or receipt of Protected Health Information ("PHI"), as that term is defined below, from or on behalf of County.

C. For good and lawful consideration as set forth in the Underlying Agreement, County and Business Associate enter into this Business Associate Addendum (this "Addendum") for the purpose of ensuring compliance with the requirements of HIPAA, its implementing regulations, the HITECH Act and the Maryland Confidentiality of Medical Records Act (Md. Ann. Code, Health-General Art., Section 4-301 et seq.) ("MCMRA").

NOW THEREFORE, the premises having been considered and with acknowledgment of the mutual promises and of other good and valuable consideration herein contained, the parties, intending to be legally bound, hereby agree as follows:

DEFINITIONS

A. "Individual" shall have the same meaning as the term "individual" in 45 CFR §164.501 and shall include a person who qualifies as a personal representative in accordance with 45 CFR §164.502(g).

B. "Breach" shall have the same meaning as the term "breach" in §13400 of the HITECH Act and shall include the unauthorized acquisition, access, use or disclosure of PHI that compromises the security or privacy of such information.

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C. "Designated Record Set" shall have the same meaning as the term "designated record set" in 45 CFR §164.501

D. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR Part 160 and Part 164, Subparts A and E, as amended by the HITECH Act and as may otherwise be amended from time to time.

E. "Protected Health Information" or "PHI" shall have the same meaning as the term "protected health information" in 45 CFR §160.103, limited to the information created or received by Business Associate from or on behalf of County.

F. "Required By Law" shall have the same meaning as the term "required by law" in 45 CFR §164.103.

G. "Secretary" shall mean the Secretary of the U.S. Department of Health and Human Services or his designee.

H. "Unsecured Protected Health Information" or "Unsecured PHI" shall mean PHI that is not secured through the use of a technology or methodology specified by the Secretary in guidance or as otherwise defined in the §13402(h) of the HITECH Act.

USE OR DISCLOSURE OF PHI BY BUSINESS ASSOCIATE

A. Except as otherwise limited in this Addendum, Business Associate may use or disclose Protected Health Information to perform functions, activities, or services for, or on behalf of, County as specified in the Underlying Agreement, provided that such use or disclosure would not violate the Privacy Rule if done by Covered Entity.

B. Business Associate shall only use and disclose PHI if such use or disclosure complies with each applicable requirement of 45 CFR §164.504(e).

C. Business Associate shall be directly responsible for full compliance with the relevant requirements of the Privacy Rule to the same extent as County.

DUTIES OF BUSINESS ASSOCIATE RELATIVE TO PHI

A. Business Associate shall not use or disclose PHI other than as permitted or required by this Addendum or as Required By Law.

B. Business Associate shall implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of the electronic PHI that it creates, receives, maintains, or transmits on behalf of County.

C. Business Associate shall immediately notify County of any use or disclosure of PHI in violation of this Addendum or of any Security Incident (as such term is defined in 45 C.F.R. § 164.304).

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D. Business Associate shall promptly notify County of a Breach of Unsecured PHI following the first day on which Business Associate (or Business Associate's employee, officer or agent) knows of such Breach or after the first day on which Business Associate (or Business Associate's employee, officer or agent) should have known of such Breach. Business Associate's notification to County hereunder shall:

1. Be made to County no later than five (5) calendar days after discovery of the Breach, except where a law enforcement official determines that a notification would impede a criminal investigation or cause damage to national security;

2. Include the individuals whose Unsecured PHI has been, or is reasonably believed to have been, the subject of a Breach; and

3. Be in substantially the same form as Schedule A hereto.

E. In the event of an unauthorized use or disclosure of PHI, a Security Incident or a Breach of Unsecured PHI, Business Associate shall mitigate, to the extent practicable, any harmful effects of said disclosure that are known to it.

F. Business Associate agrees to ensure that any agent, including a subcontractor, to whom it provides Protected Health Information received from, or created or received by Business Associate on behalf of County, agrees in writing to the same restrictions and conditions that apply through this Addendum to Business Associate with respect to such information.

G. To the extent applicable, Business Associate shall provide access to Protected Health Information in a Designated Record Set at reasonable times, at the request of County or, as directed by County, to an Individual in order to meet the requirements under 45 CFR §164.524. Notwithstanding the foregoing, Business Associate shall provide an Individual with access to his/her PHI in a time and manner that meets the requirements of applicable federal and state laws pertaining to nursing home or assisting living facility residents' access to medical records.

H. To the extent applicable, Business Associate shall make any amendment(s) to Protected Health Information in a Designated Record Set that County directs or agrees to pursuant to 45 CFR §164.526 at the request of County or an Individual.

I. Business Associate shall, on request with reasonable notice, provide County access to its premises for a review and demonstration of its internal practices and procedures for safeguarding PHI.

J. Business Associate agrees to document such disclosures of PHI and information related to such disclosures as would be required for County to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 C.F.R. §164.528. Should an Individual make a request to County for an accounting of disclosures of his or her PHI pursuant to 45 C.F.R. §164.528, Business Associate agrees to promptly provide County with information in a format and manner sufficient to respond to the Individual's request.

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K. Business Associate shall, on request with reasonable notice, provide County with an accounting of uses and disclosures of PHI provided to it by County.

L. Business Associate shall make its internal practices, books, records, and any other material requested by the Secretary relating to the use, disclosure, and safeguarding of PHI received from or created or received by Business Associate on behalf of, County available to the Secretary for the purpose of determining compliance with the Privacy Rule. The aforementioned information shall be made available to the Secretary in the manner and place as designated by the Secretary or the Secretary's duly appointed delegate. Under this Addendum, Business Associate shall comply and cooperate with any request for documents or other information from the Secretary directed to County that seeks documents or other information held by Business Associate.

M. Business Associate may use Protected Health Information to report violations of law to appropriate federal and state authorities, consistent with 42 C.F.R. §164.502(j)(1).

N. Except as otherwise limited in this Addendum, Business Associate may disclose PHI for the proper management and administration of Business Associate, provided that disclosures are Required By Law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required By Law or for the purpose for which it was disclosed to the person, and the person notifies Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.

TERM AND TERMINATION

A. Term. The Term of this Addendum shall be effective as of the date the Underlying Agreement is effective, and shall terminate when all of the Protected Health Information provided by County to Business Associate, or created or received by Business Associate on behalf of County, is destroyed or returned to County, or, if it is infeasible to return or destroy Protected Health Information, protections are extended to such information, in accordance with the termination provisions in this section.

B. Termination for Cause. On County's knowledge of a material breach by Business Associate, County shall:

1. Provide an opportunity for Business Associate to cure the breach or end the violation and, if Business Associate does not cure the breach or end the violation within the time specified by County, terminate this Addendum; or

2. Immediately terminate this Addendum if Business Associate has breached a material term of this Addendum and cure is not possible.

C. Effect of Termination.

1. Except as provided in paragraph (C)(2) below, on termination of this Addendum, for any reason, Business Associate shall return or destroy all Protected Health Information received from County, or created or received by Business Associate on behalf of County. This provision shall apply to

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Protected Health Information that is in the possession of subcontractors or agents of Business Associate. Business Associate shall not retain any copies of the Protected Health Information.

2. If Business Associate determines that returning or destroying the Protected Health Information is infeasible, Business Associate shall provide to County written notification of the conditions that make return or destruction infeasible. After written notification that return or destruction of Protected Health Information is infeasible, Business Associate shall extend the protections of this Addendum to such Protected Health Information and limit further uses and disclosures of such Protected Health Information to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such Protected Health Information.

3. Should Business Associate make a disclosure of PHI in violation of this Addendum, County shall have the right to immediately terminate any contract, other than this Addendum, then in force between the parties, including the Underlying Agreement.

4. The respective rights and obligations of County and Business Associate under this paragraph (C) shall survive the termination of this Addendum.

#### CONSIDERATION

Business Associate recognizes that the promises it has made in this Addendum shall, henceforth, be detrimentally relied on by County in choosing to continue or commence a business relationship with Business Associate.

#### REMEDIES IN EVENT OF BREACH

Business Associate hereby recognizes that irreparable harm will result to County, and to the business of County, in the event of breach by Business Associate of any of the covenants and assurances contained in this Addendum. As such, in the event of breach of any of the covenants and assurances contained in Sections II or III above, County shall be entitled to enjoin and restrain Business Associate from any continued violation of Sections II or III. Furthermore, in the event of breach of Sections II or III by Business Associate, County is entitled to reimbursement and indemnification from Business Associate for County's reasonable attorneys' fees and expenses and costs that were reasonably incurred as a proximate result of Business Associate's breach. The remedies contained in this Section VI shall be in addition to (and not supersede) any action for damages and/or any other remedy County may have for breach of any part of this Addendum.

#### MODIFICATION

This Addendum may only be modified through a writing signed by the parties to this Addendum and, thus, no oral modification hereof shall be permitted. The parties agree to take such action as is necessary to amend this Addendum from time to time as is necessary for County to comply with the requirements of the Privacy Rule and HIPAA.

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INTERPRETATION OF THIS ADDENDUM IN RELATION TO OTHER CONTRACTS BETWEEN  
THE PARTIES

Subject to Section 15(o) of the Underlying Agreement, should there be any conflict between the language of this Addendum and any other contract entered into between the parties (either previous or subsequent to the date of this Addendum), the language and provisions of this Addendum shall control and prevail unless the parties specifically refer in a subsequent written agreement to this Addendum by its title and date and specifically state that the provisions of the later written agreement shall control over this Addendum.

COMPLIANCE WITH STATE LAW

Business Associate acknowledges that by accepting the PHI from County, it becomes a holder of medical records information under the MCMRA and is subject to the provisions of that law. If the HIPAA Privacy Rule and the MCMRA conflict regarding the degree of protection provided for Protected Health Information, Business Associate shall comply with the more restrictive protection requirement.

IN WITNESS WHEREOF, the parties hereto have caused this Addendum to be executed as of the date specified above.

**COUNTY:**  
**FREDERICK COUNTY, MARYLAND**

By: \_\_\_\_\_  
Jan H. Gardner, County Executive

**BUSINESS ASSOCIATE:**

**XXX**

By: \_\_\_\_\_  
XXX, XXXX

Request for Proposal #16-047  
EMERGENCY MEDICAL BILLING SERVICES  
Addendum #2

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**SCHEDULE A TO BUSINESS ASSOCIATE ADDENDUM**

**FORM OF NOTIFICATION TO COUNTY OF BREACH OF UNSECURED PHI**

Business Associate hereby notifies County that there has been a Breach of Unsecured (unencrypted) Protected Health Information (PHI) that Business Associate has used or has had access to under the terms of the Underlying Agreement.

Description of the breach: \_\_\_\_\_

\_\_\_\_\_

Date of the breach: \_\_\_\_\_

Date of the discovery of the breach: \_\_\_\_\_

Number of Individuals affected by the breach: \_\_\_\_\_

The types of Unsecured PHI that were involved in the breach (such as full name, Social Security number, date of birth, home address, account number, or disability code): \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Description of what Business Associate is doing to investigate the breach, to mitigate losses, and to protect against any further breaches: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Contact information to ask questions or learn additional information:

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Email Address: \_\_\_\_\_

Phone Number: \_\_\_\_\_